



State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

March 2005

WORKFORCE OBSERVATIONS FOR SOUTHEAST WISCONSIN COUNTIES

KENOSHA, RACINE AND WALWORTH COUNTIES

UNEMPLOYMENT RATES UP IN FEBRUARY

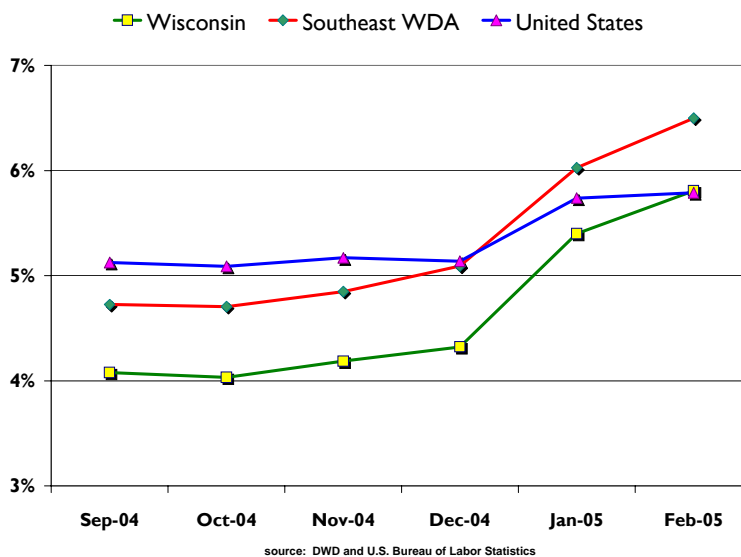
Racine County's unemployment rate in February was 7.0 percent, an increase compared to the 6.4 percent rate measured in January. This increase was a bit higher than what is normally measured between these two months. Annually, the county's labor force showed little change in its number of unemployed residents. The number of its employed has de-

creased by almost 900. The current unemployment rate is unchanged annually based upon the unchanged number of unemployed residents in Racine County.

The job tally in Racine County in February was 77,900 jobs representing an overall 200-job increase, monthly. This overall increase was typical for February. The heart

of this net job gain was in government employment (+300 jobs). Much of this employment likely began in January as some employment in educational institutions was not captured by the January survey. Professional and business services gained 100 jobs. Retail trade declined in employment by 200 jobs since January. Many other sectors' employment was unchanged in February.

Six-Month Unemployment Rate Watch



Racine's industry employment has declined on an annual basis by 300 jobs. This was a net loss of jobs balancing employment gains and losses and was negative on a net basis. Compared to February 2004, Racine County had 600 fewer jobs in trade employment with most of the loss in retail trade. Manufacturing posted a 300-job decline. Employment gains in professional and business services, construction, and government slightly offset some of these aforementioned annual job losses.

The unemployment rate in **Kenosha County** in February was 6.6 percent. This was an increase of three-tenths of a per-

Civilian Labor Force Estimates for Southeast Wisconsin Counties: February 2005

| | Wisconsin | | | Kenosha County | | | Racine County | | |
|--------------|-----------------|-----------|-----------|----------------|---------|---------|---------------|-------------|-------------|
| | Feb-05 | Jan-05 | Feb-04 | Feb-05 | Jan-05 | Feb-04 | Feb-05 | Jan-05 | Feb-04 |
| Labor force | 3,047,455 | 3,047,352 | 3,060,359 | 82,009 | 82,295 | 81,051 | 99,324 | 99,082 | 100,212 |
| Employed | 2,870,495 | 2,882,827 | 2,872,368 | 76,582 | 77,097 | 75,946 | 92,335 | 92,758 | 93,216 |
| Unemployed | 176,960 | 164,525 | 187,991 | 5,427 | 5,198 | 5,105 | 6,989 | 6,324 | 6,996 |
| % Unemployed | 5.8% | 5.4% | 6.1% | 6.6% | 6.3% | 6.3% | 7.0% | 6.4% | 7.0% |
| | Walworth County | | | Southeast WDA | | | United States | | |
| | Feb-05 | Jan-05 | Feb-04 | Feb-05 | Jan-05 | Feb-04 | Feb-05 | Jan-05 | Feb-04 |
| Labor force | 55,287 | 55,356 | 55,890 | 236,620 | 236,733 | 237,153 | 147,649,000 | 147,125,000 | 146,154,000 |
| Employed | 52,327 | 52,612 | 52,734 | 221,244 | 222,467 | 221,896 | 139,100,000 | 138,682,000 | 137,384,000 |
| Unemployed | 2,960 | 2,744 | 3,156 | 15,376 | 14,266 | 15,257 | 8,549,000 | 8,444,000 | 8,770,000 |
| % Unemployed | 5.4% | 5.0% | 5.6% | 6.5% | 6.0% | 6.4% | 5.8% | 5.7% | 6.0% |

Source: U.S. Bureau of Labor Statistics and DWD, Local Area Unemployment Statistics. Figures are not seasonally adjusted and current month's data are preliminary

Industry Employment Estimates for Southeast Wisconsin - February 2005

| Employment in 1,000's | Wisconsin | | | Kenosha County | | | Racine County | | | Walworth County | | | Southeast WDA | | |
|-------------------------------------|--------------|------|--------------|----------------|------|--------------|---------------|------|--------------|-----------------|------|--------------|---------------|------|--------------|
| | Change since | | Change since | Change since | | Change since | Change since | | Change since | Change since | | Change since | Change since | | Change since |
| | Feb. 2005 | | Feb. 2004 | Feb. 2005 | | Feb. 2004 | Feb. 2005 | | Feb. 2004 | Feb. 2005 | | Feb. 2004 | Feb. 2005 | | Feb. 2004 |
| | 2005 | 2005 | 2004 | 2005 | 2005 | 2004 | 2005 | 2005 | 2004 | 2005 | 2005 | 2004 | 2005 | 2005 | 2004 |
| All Industries | 2,765.4 | 15.7 | 38.1 | 54.9 | 0.1 | 0.1 | 77.9 | 0.2 | -0.3 | 41.7 | 0.0 | 0.2 | 174.4 | 0.3 | 0.0 |
| Construction/Natural Resources | 116.3 | 1.5 | 5.5 | 2.1 | 0.0 | 0.1 | 3.6 | 0.0 | 0.2 | 1.6 | -0.1 | 0.0 | 7.3 | -0.1 | 0.3 |
| Manufacturing | 497.9 | 1.6 | 5.3 | 9.7 | 0.0 | -0.5 | 18.8 | 0.0 | -0.3 | 9.2 | 0.0 | -0.1 | 37.7 | 0.0 | -0.9 |
| Total Trade | 421.6 | -7.0 | 2.5 | 8.7 | -0.1 | 0.2 | 12.4 | -0.2 | -0.6 | 5.5 | -0.1 | 0.0 | 26.5 | -0.4 | -0.4 |
| Retail Trade | 307.9 | -6.9 | 0.6 | xx | xx | xx | 8.9 | -0.2 | -0.7 | xx | xx | xx | xx | xx | xx |
| Wholesale Trade | 113.7 | -0.1 | 1.9 | xx | xx | xx | 3.5 | 0.0 | 0.1 | xx | xx | xx | xx | xx | xx |
| Transport/Warehouse/Utilities | 104.1 | -0.6 | 0.7 | 1.7 | 0.0 | 0.0 | 2.0 | 0.0 | 0.0 | 1.1 | 0.0 | 0.0 | 4.8 | 0.0 | 0.0 |
| Financial Activities | 156.8 | 0.2 | 0.3 | 1.7 | 0.0 | 0.0 | 2.6 | 0.0 | 0.0 | 1.1 | 0.0 | 0.0 | 5.4 | 0.0 | 0.0 |
| Education and Health Services | 383.3 | 2.8 | 12.0 | 8.5 | 0.0 | 0.1 | 10.3 | 0.0 | -0.1 | 4.4 | 0.0 | 0.2 | 23.2 | 0.0 | 0.2 |
| Leisure and Hospitality | 233.5 | -0.8 | 4.1 | 6.7 | 0.0 | 0.5 | 6.2 | 0.0 | 0.0 | 6.3 | 0.0 | -0.2 | 19.2 | 0.0 | 0.3 |
| Info./Prof./Bus. and Other Services | 425.6 | 3.1 | 1.7 | 6.8 | 0.0 | 0.3 | 11.6 | 0.1 | 0.4 | 4.9 | 0.1 | 0.1 | 23.3 | 0.2 | 0.8 |
| Information | 50.2 | -0.4 | 0.4 | xx | xx | xx | 0.6 | 0.0 | 0.0 | xx | xx | xx | xx | xx | xx |
| Professional and Business Services | 241.6 | 2.3 | 0.6 | xx | xx | xx | 6.4 | 0.1 | 0.4 | xx | xx | xx | xx | xx | xx |
| Other Services | 133.8 | 1.2 | 0.7 | xx | xx | xx | 4.6 | 0.0 | 0.0 | xx | xx | xx | xx | xx | xx |
| Fed/State/Local Government | 426.3 | 14.9 | 6.0 | 8.9 | 0.1 | -0.4 | 10.4 | 0.3 | 0.1 | 7.7 | 0.1 | 0.1 | 27.0 | 0.6 | -0.2 |

Source: U.S. Bureau of Labor Statistics and DWD, Current Employment Statistics. Figures are rounded and may not sum to total. Current month's figures are preliminary

centage point, monthly. From an annual perspective, Kenosha was the only regional county to see a higher unemployment rate compared to last February; it was three-tenths of a point higher. As of February, Kenosha County's labor force has over 600 more employed, yet it has more than 300 more unemployed fueling the annual rise in the unemployment rate.

The estimated number of jobs via the non-farm wage and salary survey totaled 54,900 jobs. February's total was an improvement of 100 more jobs compared to January's final total. Most industry sectors were unchanged over the month with only slight changes in government employment, to the positive side of growth, and total trade employment, to the negative. The remaining sectors showed negligible monthly employment changes. This level of monthly job growth in overall, net terms is on par with expectation, though it was a bit lower than it had been in the past few years.

Annually, Kenosha has 100 more jobs, on a net basis, than it had in February 2004. This net growth was based upon annual employment declines in manufacturing and government being offset by growth in a host of sectors such as leisure and hospi-

tility, professional and business services, and trade employment. Education and health services and construction employment also posted small employment increases on an annual basis.

Walworth County's February unemployment rate was 5.4 percent. This was higher than January's final rate of 5.0 percent. The county's current rate is lower than last February's by two-tenths of a percentage point. At this time, Walworth's labor force is smaller than it was in February 2004. The total labor force shows over 400 fewer employed residents and almost 200 fewer unemployed, thus the lower unemployment rate.

Walworth's industry employment survey estimated 41,700 total nonfarm jobs in February. This was unchanged over the month on a net basis. Both Total trade and construction sectors' employment decreased by 100 jobs, while professional and business services and government employment each gained 100 more jobs, thus the zero net gain in total employment. No significant monthly employment changes were measured in the remaining industry sectors.

Walworth's total industry employment from an annual perspective shows growth of 200 total jobs, overall. Education and health services showed the most improvement gaining 200 more jobs. Leisure and hospitality employment showed the largest decline, down 200 jobs. This decrease in leisure and hospitality jobs is not indicative of this industry softening and is more likely an issue of the survey's timing. It is a volatile industry via employment, to say the least, and it will soon be coming into the months where its employment levels will rise quickly. Professional and business services and government employment are higher by 100 jobs, while manufacturing employment is lower than it was one year ago, -100 jobs.

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